PHILIP MORRIS COMPANIES INC. INTER-OFFICE CORRESPONDENCE

120 PARK AVENUE, NEW YORK 10017

TO: Michael A. Miles

DATE: April 20, 1993

FROM: Dede Thompson Bartlett

SUBJECT: **Additional Annual Meeting Questions**

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APR 20 1993

MICHAEL A. MILES

The following are answers to your questions:

1. **Q.** Are the business relationships with Directors' companies which are not reported in the proxy all immaterial to both sides?

   A. According to the SEC's definition, these business relationships are immaterial. Whenever a candidate is considered for election to the board, his or her business relationships are carefully examined to insure that any material relationship is disclosed. In preparing the 1993 Proxy Statement, we disclosed all relevant information.

2. **Q.** Do we -- in any way, shape, form -- acknowledge ETS as any kind of risk factor?

   A. No. We do not believe the science that supports ETS as a risk factor.

3. **Q.** Has Marty Lipton been through Corporate Governance and compensation questions?

   A. Today, we received information from Hewitt Associates which has caused us to recast some of the answers in these sections. As soon as this task is completed, we will fax Marty the new material for his review. We will have updated information for you shortly thereafter.

4. **Q.** Are the Anti's likely to show up with props, as at RJR? What props? What response?

   A. While I can't predict with certainty the likelihood of any of their actions, it would seem consistent with behavior they have shown in the past, that the anti's would come up with some "stunt." As you know, they will be bringing a man whose voice is raspy presumably as the result of a cancer operation. As for props, they might bring a toy MILLER train set, a toy MILLER race car and a toy MILLER remote control hydroplane, all of which were brought to my attention by Dr. John Slade, the activist from New Jersey. Attached is a copy of my letter to Slade in which I told him that since 1991, MILLER stopped authorizing the use of the MILLER trademark on items that may be attractive to minors even though many of these items are generally collected by adults.

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Source: https://www.industrydocuments.ucsf.edu/docs/pykm0000

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4. **A.** Dr. Slade also found a box showing a MARLBORO decorated radio control car and a pamphlet in the box describing the car. I told him that we first became aware of this in late summer 1990 and that it had been licensed and manufactured without our approval. I further stated that we took immediate steps to have all 3,000 units of production recalled, and that it was noteworthy that he could only find the box and the pamphlet and not the car.

   The anti's might also bring the items that John Banzhaf of ASH (Action on Smoking and Health) showed on television recently: a child's change purse with a Philip Morris logo and a child's VIRGINIA SLIMS t-shirt. As of today, our people have not seen these items, and I am enclosing a copy of Steve Parrish's letter on this subject in which he notes that we "will take quick and forceful action to halt the unauthorized use of our tobacco brand names on items intended for use by children."

   I am not aware of any other children's items which they have in their possession.

DTB/lv
Attachment

cc: Murray H. Bring
Alfonso L. Carney, Jr.
Steven C. Parrish
Timothy A. Sompolski
John J. Tucker

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